

State of California
BOARD OF EQUALIZATION

SALES AND USE TAX REGULATIONS

Regulation 1685. PAYMENT OF TAX BY PURCHASERS.

Reference: Sections 6202, 6203, 6367, 6401 and 7051.3, Revenue and Taxation Code.

(a) Purchasers and lessees of tangible personal property, the storage, use, or other consumption of which is subject to the use tax, must pay the tax:

(1) To the person from whom such property is purchased or leased, if such person holds a seller's permit or a Certificate of Registration – Use Tax.

(2) Directly to the Board if the person from whom the tangible personal property is purchased or leased does not hold such a permit or certificate.

Purchasers and lessees should not pay the tax to a person who does not hold either a seller's permit or a Certificate of Registration – Use Tax. Purchasers and lessees will be liable for payment of tax to the Board unless receipts are obtained from sellers holding a seller's permit or a Certificate of Registration – Use Tax.

(b) PAYMENT BY PERSONS HOLDING USE TAX DIRECT PAYMENT PERMITS. Notwithstanding the provisions of subdivision (a), persons who obtain use tax direct payment permits and issue use tax direct payment exemption certificates in good faith to the persons from whom tangible personal property, the storage, use, or other consumption of which is subject to the use tax is purchased, shall not pay the use tax to such persons but shall self-assess and pay state and local use tax under Part 1 (commencing with Section 6001), Part 1.5 (commencing with Section 7200), and, if applicable, Part 1.6 (commencing with Section 7251) directly to the Board. Use tax direct payment permits and exemption certificates must comply with the requirements of Regulation 1699.

History: Amended June 23, 1966.

Applicable as amended on and after July 1, 1966.

Amended and renumbered August 5, 1969, effective September 6, 1969.

Amended September 1, 1999, effective October 21, 1999. New subdivision (b) added to include the provisions of section 7051.3 (Statutes of 1997, Chapter 702 (SB110)) concerning use tax direct payment permits.

Regulations are issued by the State Board of Equalization to implement, interpret or make specific provisions of the California Sales and Use Tax Law and to aid in the administration and enforcement of that law. If you are in doubt about how the Sales and Use Tax Law applies to your specific activity or transaction, you should write the nearest State Board of Equalization office. Requests for advice regarding a specific activity or transaction should be in writing and should fully describe the facts and circumstances of the activity or transaction.